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SUBJECT: ETHIOPIA: ANTI-CORRUPTION MINISTER TALKS ABOUT  
AMCIT PRISONER, WORK OF THE COMMISSION

¶1. (SBU) Summary: Ali Suleiman, the Minister for the Federal Anti Corruption and Ethics Commission told the Charge and Cons chief August 10 that the Alazar Dessie case, which falls within his jurisdiction, may finally be concluded in January. He also discussed the Commission's priorities: education against corruption, promotion of ethics in public offices, and vigilance over public enterprise conduct. End Summary.

¶2. (SBU) Mr. Alazar Dessie is the only American prisoner in Ethiopia. He was charged with violation of corruption statutes based on alleged questionable loans when he was a consultant to the government-owned Commercial Bank of Ethiopia (CBE). The proceedings against him began in 2001. While the consular section regularly meets with Mr. Dessie, the length of the proceeding has caused some concern, and resulted in high level visits to Mr. Dessie, most recently from Congressman Payne.

¶3. (SBU) The Minister appeared somewhat uncomfortable talking about the Dessie case, and noted that the case predated his arrival, beginning at around the time the Commission was established. In brief, his version of the case was that loan procedures were violated and many corrupt people defaulted on improperly authorized loans. These corrupt individuals absconded with the money to the United States, where they have been untouchable, as no extradition treaty exists between the two countries.

¶4. (SBU) According to Minister Ali, the prosecution rested its case against Dessie, and the defense will now present its evidence when the court returns from its summer recess in October. While there are some government witnesses, the bulk of the prosecution's case rests on documentary evidence. The case, Minister Ali said, was a matter "beyond his control," and now in the hands of the courts, though he surmised that there may be an outcome as early as January. As the Minister explained, he is not as concerned about the outcome as he is about the court's interpretation of law. Minister Ali suggested that even if the prosecution loses the case, he will not necessarily appeal the decision if the court's interpretation does not set bad precedent.

¶5. (SBU) When asked about the Commission's other activities, the Minister launched into a lengthy explanation about the Commission's work. Federal institutions and the public enterprises are within the Commission's limited jurisdiction. The Commission's staff consists of approximately 200 employees, though there is talk of expanded jurisdiction to include NGO's. The Minister explained that there is great disappointment with NGOs because of how money is spent and what he called discriminatory hiring practices. (Comment: An expansion of the Commission's mandate along these lines would raise concerns about politically motivated harassment of NGOs. End Comment)

¶6. (SBU) Minister Ali portrayed the institution as a young organization with several priorities: to educate and to police the public offices and enterprises. As part of the education component, there is a nationwide media campaign to fight corruption by promoting ethics through school clubs and in school curricula. As part of the policing effort, there are now ethics officers in each public office that can accept complaints. The Minister noted that placing officials in the public offices has been difficult, as there is resistance to their presence. Some officers even need protection. The Commission concentrates on mid-level officials, since the higher officials often have their own money and they leave public service to become investors. Minister Ali did not provide an explanation of how those higher officials generated their initial capital.

¶7. (SBU) The procedures to develop a case begin with the investigatory branch. When the investigators receive information or a complaint, they create a file, compile the information and send it to a committee. This committee will then decide whether to approve the investigation. If approved, it is sent to the prosecutor. The prosecutor can choose to send the case back for further investigation or submit it to the courts. Recently the Commission has expanded prosecutorial discretion to include immunity for lesser crimes. Immunity will only be offered if the defendants assist the Commission in exposing the main targets, cooperate with the investigation, and return any unlawfully gained funds. The Commission can also delegate lower priority cases to the police for regular processing through the court system. Under the main Commission are four regional Commissions that may also be delegated authority to handle cases arising outside of Addis.

¶8. (SBU) One of the major Commission functions concerns the public enterprises. They investigate, evaluate performance, ensure proper procurement procedures are followed and verify that the enterprises have transparent accounting. The Commission's officers also gather public opinion related to the public enterprises, and field many concerns about privatization. Appraisals for enterprises that may be subject to privatization are also evaluated by the Commission. Officers are especially vigilant with institutions and enterprises where large contracts may tempt the corrupt. These include among others: customs, telecommunications, power, and the highway authorities.

¶9. (SBU) Conceding that the public is frustrated with the Commission's ability to process cases, the Minister explained that the Commission cannot do everything given resource constraints. He commented that the Commission is, however, drafting a law that will require public officials to declare or register their assets, though he believes the legislation may encounter difficulty in the parliament. The Charge advised that similar laws exist in the U.S. and commended the Minister's efforts to reduce corruption, noting that corruption levels in Ethiopia, compared to Kenya or Nigeria, are relatively low.

¶10. (SBU) The commission receives some funding from UNDP and would welcome assistance to improve their operations from USAID.

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